DOCUMENT RESUME

ED 227 762 HE 016 001

TITLE Student Aid Computer Search Organizations: Preliminary Report of the Ad Hoc Committee of the California Student Aid Commission.
INSTITUTION California State Postsecondary Education Commission, Sacramento.
PUB DATE [83]
NOTE 16p.
PUB TYPE Reports - Research/Technical (143) -- Tests/Evaluation Instruments (160)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Ancillary School Services; College Students; *Computer Oriented Programs; *Databases; Higher Education; Information Retrieval; *Information Services; Information Systems; *Private Financial Support; Questionnaires; *Student Financial Aid
IDENTIFIERS *California Student Aid Commission

ABSTRACT

Findings of a California committee that investigated computer-based student aid search services are examined. In mid-1982, over 40 computer search organizations had been identified. A survey of the organizations found that almost all were private-for-profit firms. Only four of the respondents that offer a direct service to students maintain their own database. Most of the others utilize the database of Academic Guidance Services, an organization that has a database of about 3,800 sources, but which does not offer a service directly to students. Based on a review of the survey findings, the committee made observations regarding the following: advertising, fees and refund policies, quantity and quality of the database, quality of information, and inclusion of federal/state sources. The committee noted that the following three postsecondary institutions utilize computer searching to provide information about outside resources to their students: The University of California, Los Angeles; The University of Santa Clara; and California Lutheran College. The committee recommended that funds be provided to prepare an annual, updated compendium of private student aid sources that can be distributed to all schools in California. A questionnaire and findings are appended. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED227762

HE 016 001

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
This document has been reproduced as received from the person or organization originating it.
Minor changes have been made to improve reproduction quality.
Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
California Post-secondary Education Commission
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

STUDENT AID COMPUTER SEARCH ORGANIZATIONS

Preliminary Report of the Ad Hoc Committee of the California Student Aid Commission

- An Overview -

At a time of actual and proposed cutbacks in national and state student assistance programs, student aid computer search organizations, offering to match students with aid sources, have caught the attention of students, parents and the media. As a consequence, high school guidance personnel, college financial aid administrators, and the Student Aid Commission have received an increased number of inquiries about such activities. Since there has been an absence of information about the subject, the Student Aid Commission staff convened an ad hoc committee of college and secondary school personnel to make some inquiries about computer-based student aid search services and to issue a report on the topic.

At the first meeting in July 1981, committee members (Attachment A) reviewed information available from five computer search organizations. The following goals were set as a result of that initial review:

1. Financial aid administrators throughout the state would be requested to send to the committee names of computer search organizations and any information regarding the services they offered.

2. The Student Aid Commission would pay the necessary fees for a selected high school student to use several computer search services so the results could be reviewed by the committee.

By late spring 1982, over forty computer search organizations had been identified. A letter and questionnaire was mailed to each (see Attachments B/1 and B/2). Attachment C is a list of the organizations surveyed and a summary of some of the information gathered by that questionnaire.

Survey Results

Survey results indicate that most of the organizations that responded have come into existence since 1980. Almost all are private for profit firms.

Only four of the respondents that offer a direct service to students maintain their own data base. Most of the others utilize the data base of an organization named Academic Guidance Services (AGS) which indicated in the survey that it has a data base of approximately 3,800 sources. That organization does not offer a service directly to students. It apppears that there may be as many as 70 different search organizations across the country that utilize the AGS data base. (Note: The committee requested a list but the request was denied.)

Each organization has a different name. While the copyright of AGS appears on their data forms, it is not obvious to the uninformed consumer which organizations are using the same data base. In fact, early in this review the committee asked a student from Granada Hills High School to complete questionnaires for what were identified as three different organizations. When the results were received by the student, it was clear that all three had come from the same data source. It was unclear which completed questionnaire precipitated which result.

The committee reviewed the information obtained through the survey and made observations with regard to the following:

1. Advertising
2. Fees and Refund Policies
3. Quantity and Quality of Data Base
4. Quality of Information
5. Inclusion of Federal/State Sources

1. Advertising:

Of the organizations which responded to the survey, several provided samples of their advertising. The committee noted the following:

A. Advertising often claimed that large amounts of aid go "unclaimed" each year. Figures used in advertising brochures and letters ranged from $100 million to one-half billion in "unclaimed aid". The committee could find no documentation that large amounts of student aid go unused.

B. While many of the organizations use the term "scholarship" in their titles, their advertising often defines outside sources of aid as scholarships, grants and loans.

C. Advertising sometimes includes quotes from students who reportedly have been pleased with the results of the services. It is unclear, however, whether the student actually received the total aid mentioned in the quotation, or whether the figure reflects funds for which he/she may apply. While it was assumed by the committee that the latter was the proper interpretation, a student could easily conclude the former.

2. Fees and Refund Policies:

Survey results indicated that fees ranged from $19 to $49. The most common fee was $45.

All have refund policies for students who do not receive a specified number of student aid sources for which they are eligible. Of course, that does not guarantee that a student will actually receive aid from any of the outside sources. It is up to the student to write and

request a refund if he/she is not satisfied with the results of the service.

3. Quantity and Quality of Data Base:

The quantity and quality of the data base used by each organization varied. Only four of the responding organizations that offer a direct service to students maintain their own data base. Their data bases ranged from 2,000 to 11,500 sources providing information about 25,000 to 100,500 leads.

The survey indicated that three organizations maintain a data base but do not offer a service directly to students. They indicated that their sources numbered 509, 3,800 and 18,000. It was not clear how many leads that represented for each data base.

4. Quality of Information Received by Student:

Many of the organizations which responded to the survey provided samples of the information students receive.

While more examples of the information received by students need to be reviewed before a more definite statement can be made, it appears that the quality and accuracy of information supplied to students varies greatly among the organizations surveyed. There also appears to be little matching of students and aid resources. For example, one student who applied to an organization was not eligible for 11 of the 18 sources listed. Of course, since the computer search organizations claim to "match" students with "sources for which they are eligible", this is a critical issue for the applicant. The Student Aid Commission hopes to expand its inquiry to review a greater number of responses received by students in order to better evaluate the usefulness and accuracy of the information received.

It appears, however, that in cases where "matching" does occur and a student is successful in his/her application to the funding sources, it is often aid that he/she would not have otherwise received.

5. Inclusion of Federal/State Sources:

It was a concern of the committee that computer search organizations might be charging students a fee to provide information about federal and state aid programs. Results of the survey indicated that while information about government student aid is frequently included, the emphasis is on private sources.

Computer Search on Campus

During the course of this review the committee noted that efforts have been made by at least three postsecondary institutions to utilize a computer search to provide information about outside resources to their students. They are as follows:

UCLA: The University's Financial Supports Commission began a free-of-charge computer search service (COMPUDOLLAR) for

UCLA students two years ago. During 1981-82 approximately 1,250 students used COMUPDOLLAR. The search data base has 300 sources including federal and state student aid programs.

University of Santa Clara: In March of 1982 the University of Santa Clara began a two-year research project through which they offer a computer search service to their students. Through a contract with the CASHE system (Gaithersburg, MD) the Office of Financial Aid has access to a data base of over 11,500 aid sources which provides approximately 100,500 leads. The University charges each student $15 to to use the service. The research project will monitor student use of the search service and follow up to evaluate the ultimate results.

California Lutheran College: As an experiment in 1981-82, the Director of Financial Aid contracted with NSRS (San Rafael, CA) to process approximately 90 students with grade point averages of at least 3.0 in January and February, 1982. The Director met with each student to review the results of the search and advised them in applying to the various sources. Of the 90 students, one student received a $2,000 scholarship. NSRS has a data base of 2,000 sources (approximately 50,000 leads).

Information about Outside Resources

It seems important to address the fact that it is the apparent lack of information about outside resources of financial aid that has precipitated the recent proliferation of computer search organizations. Few systematic alternatives appear to exist for those students who want to be sure they have explored all viable options.

When asked about computer search organizations, it has been common for financial aid administrators to say "students can find out the same information from libraries". While that may be true for students who have access to libraries that purchase up-to-date reference books*,, it may be a hollow alternative for many students who are not so fortunate. At a time of proposed cutbacks and uncertainty in federal and state financial aid programs, students understandably want as much information as possible as quickly as possible about other sources.

Since it is clear that information about private student aid resources is not being distributed systematically to all schools and students in the state, the committee is recommending that the Student Aid Commission seek funds to prepare an annual, updated compendium of private student aid sources that can be distributed to all schools in the state. The annual distribution of a comprehensive compendium would ensure that students would have a more equal opportunity for information about all available sources of aid.

*See Appendix I

Conclusion

Since outside resources are an ever changing commodity and the organizations surveyed in this report are new and evolving, this preliminary report is simply a snapshot taken at a point in time. Everything in the picture can change. For that reason, it seems sensible to assume that this report will at best give students, high school guidance personnel, and financial aid administrators a sense of overview and enough information that they may make their own inquiries and comparisons.

Certainly, access to information about sources of financial aid can be enhanced through the use of modern technology. Computer systems can store, up-date, sort, and print information effectively and efficiently. Students and parents are anxious to take advantage of such technology in their search for financial aid alternatives. Whether that technology provides viable options or the illusion of options depends on the quality and quantity of the data bases and the degree to which aid sources are actually matched to a student's characteristics. Whether the information gained from a computer search data base actually results in a student receiving a scholarship, grant or loan will depend on the time of the year, the competition for available funds, and the characteristics sought by the funding source.

Computer technology aside, actually obtaining an outside source of financial aid is not an easy task. Regardless of how students obtain information about outside sources, they must:

- meet a multitude of different deadlines
- complete a multitude of different forms
- meet a multitude of qualifications

While increasing the number of leads will hopefully enhance a student's chances of obtaining assistance from outside sources of financial aid, it may or may not actually produce the needed funds. It remains to be determined just how many students actually benefit from the pursuit and whether or not the outside resources increase with the intensified search for alternatives. The committee plans to pursue this topic further in an effort to determine whether the search for outside sources of aid actually produces tangible results to students aspiring to or hoping to remain in college.

ATTACHMENT A

Ad Hoc Committee on Student Aid Computer Search Organizations

Arthur S. Marmaduke — Chair
Director
California Student Aid Commission

Linda Caplan
Financial Aid Officer
Glendale College

Rita Hymes
College Advisor
Granada Hills High School
Los Angeles City School District

David Levy
Associate Director of Financial Aid
California State University, Dominguez Hills

Judith A. Lewis
Director of Financial Aid
United States International University

Arnold Neiderbach
Fiscal Manager/Assistant Director
of Financial Aid
University of California, Berkeley

STATE OF CALIFORNIA EDMUND G BROWN JR., Governor

CALIFORNIA STUDENT AID COMMISSION
1410 FIFTH STREET
SACRAMENTO 95814 (916) 445-0880

April 28, 1982

Attachment B/1

Organization
Address

There has been an increase in the number of inquiries from students and parents regarding computer student aid search organizations. High school guidance personnel and financial aid administrators in California have requested that there be a systematic review of such services currently available. In response, a Student Aid Search Committee was recently formed to gather information from organizations who offer such services to students.

On behalf of the committee, I am enclosing a questionnaire and requesting that it be completed and returned to this office by May 14. If your organization has information about unused student financial aid, please advise us of the source of such information. If you wish to submit additional information, please do so. The brevity of the questionnaire is to expedite its completion.

Thank you for your cooperation in this survey.

Sincerely,

Arthur S. Marmaduke
Director

Enclosure

Date:

To:

Attachment B/2

Please return this completed questionnaire and the information requested to

Student Aid Search Committee
Arthur S. Marmaduke, Director
California Student Aid Commission
1410 Fifth Street
Sacramento CA 95814

Return by:

1. Contact person for your organization:

   Name: _____

   Title: _____

   Address: _____

   _____

   Telephone: ( ) _____

2. Does your organization offer a computer search service directly to students? yes ☐ no ☐

3. Does your organization compile and maintain a student aid data base? yes ☐ no ☐

4. If your answer to #3 is YES:

   a. Describe on a separate sheet your procedure for compiling the data base and updating it. Be specific and enclose any forms you utilize for this purpose.

   b. What is the size of the data base you maintain:

      Number of funding sources: _____

      Number of actual references/leads: _____

   c. Does your data base include:

      Dates between which aid sources make applications available? yes ☐ no ☐

      Deadlines by which applications must be submitted? yes ☐ no ☐

   d. Does your data base include GSL/FISL, NDSL, SEOG, CWSP? yes ☐ no ☐

5. If your answer to #3 is NO, what is the source of your data base?

Name of source: _____

Address: _____

_____

Contact Person: _____

Telephone: ( ) _____

6. If your answer to #2 is YES:

a. What is the amount of the fee you charge students who use your service? _____

_____

b. What does the fee insure (guarantee)? _____

_____

_____

_____

c. What is your refund policy? _____

_____

_____

_____

d. Once a student submits a questionnaire and the appropriate fee to your service, how long before he/she normally receives the results of the search? _____

_____

e. Please enclose a copy of information material(s) you make available to students describing your service (i.e., brochures, flyers). Also enclose a copy of the questionnaire students must complete.

f. Please enclose a copy of one typical resource listing that would be among the several you send to students who use your service. The listing will familiarize the Committee with the format in which sources are described.

7. In what year did your organization come into existence? _____

8. a. Please describe your organization:

Private/nonprofit ☐ Private/profit ☐ Other: _____

b. If incorporated, please enclose a listing of your directors and officers.

_____

Respondent's name/title

_____ _____

Signature Date

Note: If you wish to submit additional information, please do so. The brievity of the questionnaire is to expedite its completion. Thank you.

Organizations surveyed by the Ad Hoc Committee

Name of Organization	Mail Returned	No Response	Date Established	Fee	Type*
Academic Directions, Inc. New York, NY	X				
Allstate Scholarship Guidance Service Beverly Hills, CA			1981	$45	III-A
American Scholarship Council San Jose, CA			1979	$38	I
Academic Guidance Services Marlton, NJ			1975	-	II
Bexar County Scholarship Clearing House San Antonio, TX		X			
Career Dynamics Bellflower, CA			1982	$45	III-A
CASHE (Computer Assistance Scholarships for Higher Education) College Student Financial Services, Inc. Gaithersburg, MD			1978	$40	I
College Money Locator Encino, CA			1982	$39	III-A
Education Assistance Researchers Minneapolis, MN		X			
Educational Funding Services Tacoma, WA			1981	$29.95	III-A
Educational & Training Services San Diego, CA			1982	$49	III-B
F.A.C.T.S./Barry A. Fullerton Melbourne, FL		X			

*See last page of this attachment

Organizations surveyed by the Ad Hoc Committee (continued)

Name of Organization	Mail Returned	No Response	Date Established	Fee	Type*
Financial Aid Scholarship Service Burbank, CA		X			
Financial Aid Services Peterson's Guide Princeton, NJ			1981	$45	III-C
Financial Aid Finder Fairfield, IA			1981	$29	III-A
Great Lakes College Scholarship Services Toledo, OH			1981	$19-$49	III-A
Guidance Information System (GIS) Time Share Corporation Avon, CN			1971	--	II**
H.E.L.P., Inc. Lincoln Park, MI	X				
Just Scholarship, LTD Los Angeles, CA		X			
National Scholarship Research Service (NSRS) San Rafael, CA			1980	$40	I
Nation-wide Promotions Student Scholarship Program Manchester Center, VT		X			
Nationwide Scholarship Services Tarzana, CA			1982	$45	III-A
Private Loans San Diego, CA			1982	$45	III-D
Scholarfund Redlands, CA		X			

*GIS is purchased by approximately 4,000 schools, college and counseling centers nationwide who make the information available to students (usually at no charge). GIS indicated that their data base contains 509 sources.

Organizations surveyed by the Ad Hoc Committee (continued)

Name of Organization	Mail Returned	No Response	Date Established	Fee	Type*
Scholarship Bank Los Angeles, CA			1980	$35 - $45	I
Scholarship Clearing House Los Angeles, CA			1980	$39	III-A
Scholarship Computer Center Seattle, WA		X			
Scholarship Finders Chicago, IL			1980	$45	III-A
Scholarship Guidance Service Van Nuys, CA			1980	$39	III-A
Scholarship Information Services San Diego, CA			1982	$45	
Scholarship Match Citizen's Scholarship Foundation of America Concord, NH			1958	-	II
Scholarship Matching Service America's Outstanding Names and Faces Andover, MA			1972	$40	III-A
Scholarship Matching Service Oak Park, IL			not given	not given	III-A
Scholarship Research Tampa, FL		X			
Scholarship Research Consultants Henry Allen Company Northridge, CA			1980	$45	III-A
Scholarship Research Service St. Paul, MN	X				
Scholarship Search New York, NY		X			

Organizations surveyed by the Ad Hoc Committee (continued)

Name of Organization	Mail Returned	No Response	Date Established	Fee	Type*
Scholarship Sources Student Financial Aid Search Los Angeles, CA		X			
Scholarships Unlimited Phoenix, AZ			1981	$32.95- 49.95	III-A
Sources of Financial Aid Sacramento, CA			1980	$39 - $45	III-A
Student College Aid Houston, TX			1980	$45	III-A
Student Financial Services Alpine, CA		X			II
Student Scholarship Services La Habra, CA		X			
Toleco Distributions Woodland Hills, CA			1981	$39	III-A
Universal Student Aid Service Philadelphia, PA		X			

Key to Survey Chart

Type I: Organizations which offer a computer search service for students and maintain their own data base.

Type II: Organizations which maintain a data base only.

Type III: Organizations which offer a computer search service for students utilizing another organization's data base (See Type II):

- III-A: Academic Guidance Services
- III-B: Student Financial Services
- III-C: Scholarship Match
- III-D: Diversified Financial Corporation*

*The committee was unable to determine an address for this organization so it was not included in the survey.

Appendix I

While over sixty reference books came to the attention of the committee, it was not within the scope of this project to review them.

It came to the attention of the ad hoc committee that the Santa Barbara Scholarship Foundation maintains a resource library for area students who wish to research all available sources of aid. They offer it as a free community service and suggest that interested students plan to devote at least one-half hour to research.